

RESOLUTION NO. R-11-129

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF MANATEE COUNTY, FLORIDA, APPROVING THE ISSUANCE, OF THE NOT EXCEEDING \$16,025,000 MANATEE COUNTY PORT AUTHORITY REVENUE NOTE (THE "2011 NOTE"), TO BE ISSUED IN CONNECTION WITH THE JPMORGAN CHASE BANK, N.A. CREDIT ENHANCED POOLED COMMERCIAL PAPER LOAN PROGRAM, SERIES B (AMT ISSUE) OF THE FLORIDA LOCAL GOVERNMENT FINANCE COMMISSION FOR THE PURPOSE OF REFINANCING CERTAIN ADDITIONS, EXTENSIONS AND IMPROVEMENTS TO PORT MANATEE PREVIOUSLY FINANCED BY THE MANATEE COUNTY PORT AUTHORITY THROUGH A BORROWING UNDER ONE OF THE OTHER POOLED COMMERCIAL PAPER LOAN PROGRAMS OF THE FLORIDA LOCAL GOVERNMENT FINANCE COMMISSION; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN INTERLOCAL AGREEMENT BY AND BETWEEN MANATEE COUNTY, FLORIDA AND THE MANATEE COUNTY PORT AUTHORITY; AUTHORIZING THE PROPER OFFICERS OF THE COUNTY TO DO ALL OTHER THINGS DEEMED NECESSARY OR ADVISABLE IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE FOR THIS RESOLUTION.

WHEREAS, the Board of County Commissioners of Manatee County, Florida (the "Board") has determined it necessary, advisable and in the best economic interest of Manatee County, Florida (the "County"), to provide financial assistance (as further described below) to the Manatee County Port Authority (the "Authority") in connection with the Authority's issuance of its Revenue Note in the aggregate principal amount of not exceeding \$16,025,000 (the "2011 Note") to refinance certain additions, extensions and improvements to Port Manatee (herein, the "Projects"); and

WHEREAS, such financial assistance is being provided by the County to the Authority to enable the Authority to borrow money at the lowest interest rate cost possible; and

WHEREAS, in connection with its JPMorgan Chase, N.A. Credit Enhanced Pooled Commercial Paper Loan Program, Series B (AMT Issue) (herein, the "2011 Program"), the

Florida Local Government Finance Commission (the "Commission") intends to issue, from time to time, Commercial Paper Notes, the proceeds of which will be loaned to various units of local government; and

WHEREAS, the Authority has participated in the Bank of America, N.A. Credit Enhanced Pooled Commercial Paper Loan Program, Series B (AMT Issue) of the Commission (the "Prior Program") and has determined that the notes in the principal amount of \$16,025,000 issued in connection with the Prior Program are to be refinanced under the 2011 Program and will, as a result thereof, borrow from the Commission an amount not exceeding \$16,025,000, which borrowing shall be evidenced by the 2011 Note and the proceeds of which will be used to refinance the revenue note issued under the Prior Program; and

WHEREAS, pursuant to Ordinance No. 98-25 (the "Ordinance"), enacted by the Board on June 2, 1998, the County has agreed to provide financial assistance to the Authority in connection with various debt borrowings which by adoption of this resolution includes the 2011 Notes; and

WHEREAS, such financial assistance shall take the form of loaning moneys to the Authority (but solely from the County's non ad valorem revenues) to cure debt service deficiencies, if any, in connection with the Authority's obligation to repay the 2011 Note; and

WHEREAS, pursuant to the Ordinance, the Board has determined such financial assistance to be in the best interest of the County; and

WHEREAS, to evidence the provision of such financial assistance from the County to the Authority and the Authority's obligations in connection therewith, the County and the Authority shall enter into that certain Interlocal Agreement, dated June 6, 2011 (the "Interlocal Agreement"); and

WHEREAS, the Interlocal Agreement shall be substantially in the form attached hereto as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MANATEE COUNTY, FLORIDA, as follows:

SECTION 1: That the above recitals are hereby adopted as true and correct.


SECTION 2: The County and the Authority shall enter into an Interlocal Agreement substantially in the form attached hereto as Exhibit A (the “Interlocal Agreement”). The form, terms and provisions of the Interlocal Agreement, attached hereto as Exhibit A, between the County and the Authority, as submitted to this meeting, be and the same are hereby approved and accepted. The Chairman and the Clerk of the Board are each hereby authorized and directed to execute and deliver the Interlocal Agreement in substantially the form submitted to this meeting, with such changes, insertions and deletions thereto as are necessary or desirable for carrying out the purposes thereof as may be approved by the Clerk of the Board, the execution of said Interlocal Agreement being conclusive evidence of such approval.

SECTION 3: That the Chairman and Clerk of the Board, and any other proper officials of the County, be and each of them is hereby authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this resolution.

SECTION 4: That this resolution shall take effect upon its adoption.

ADOPTED this 24th day of May, 2011.

**MANATEE COUNTY, FLORIDA, BY ITS
BOARD OF COUNTY COMMISSIONERS**

By: 
Chairman

ATTEST:



By: 
Deputy Clerk of the Board of County
County 



EXHIBIT A

Form of Interlocal Agreement

382,498,149v6/WPB/016705.013600

INTERLOCAL AGREEMENT

between

MANATEE COUNTY, FLORIDA

and

MANATEE COUNTY PORT AUTHORITY

Dated June 6, 2011

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT (the "Agreement") is dated June 6, 2011, and is entered into by and between Manatee County, Florida, a political subdivision of the State of Florida (herein, the "County"), whose principal place of business is located at the Manatee County Administrative Center, 1112 Manatee Avenue West, Bradenton, Florida 34205, and the Manatee County Port Authority, a political entity of the State of Florida (herein, the "Authority"), whose principal place of business is located at Port Manatee, 300 Regal Cruise Way, Suite 1, Palmetto, Florida 34221.

W I T N E S S E T H:

WHEREAS, the County enters into this Agreement pursuant to the provisions of Chapter 125, Florida Statutes, as amended and supplemented, Chapter 163.01, Florida Statutes, as amended and supplemented, Chapter 315, Florida Statutes, as amended and supplemented, Chapter 67-1681, Laws of Florida, as amended and supplemented, Resolution No. 11-129, Ordinance No. 98-25, and other applicable provisions of law; and

WHEREAS, the Authority enters into this Agreement pursuant to the provisions of Chapter 163.01, Florida Statutes, as amended and supplemented, Chapter 315, Florida Statutes, as amended and supplemented, Chapter 67-1681, Laws of Florida, as amended and supplemented, and other applicable provisions of law; and

WHEREAS, the Authority owns and operates public seaport facilities (herein, "Port Facilities") in the northwestern portion of the County known as "Port Manatee" and is seeking to encourage, develop and stimulate the flow of waterborne commerce through Port Manatee; and

WHEREAS, the Board of County Commissioners of Manatee County, Florida, (the "Board") hereby determines that an increase in waterborne commerce at Port Manatee is in the best economic interest of the County and the citizens thereof, and in connection therewith desires to assist the Authority in the manner provided in this Agreement; and

WHEREAS, the economic viability of Port Manatee is deemed to be in the best interest of the County and the Authority, and it is recognized by both parties hereto that the cost of financing and refinancing Port Facilities must be at the lowest interest rate cost possible; and

WHEREAS, the Authority proposes to incur Port Obligations, as herein defined, from time to time, to finance and refinance certain additions, extensions and improvements to Port Manatee and the Port Facilities (herein, "Port Projects"); and

WHEREAS, the Authority has determined that it is in the best economic interest of the Authority to initially incur Port Obligations to refinance certain Port Projects, by borrowing, from time to time, proceeds from the Pooled Commercial Paper Loan Program of the Florida Local Government Finance Commission (the "Commission"), pursuant to the terms and provisions of Resolution No. PA-11-___ (the "2011 Authority Resolution") in an amount not exceeding \$16,025,000 in principal amount outstanding at any one time and to evidence such borrowings by a note of the Authority (herein, the "Note"); and

WHEREAS, the aforementioned borrowing under the Program will be referred to as the "Commercial Paper Borrowing" and shall constitute Port Obligations; and

WHEREAS, the commercial paper notes issued by the Commission (the "CP Notes") shall initially be credit-enhanced by JP Morgan Chase Bank, N.A. (together with its successors and assigns, the "Bank"); and

WHEREAS, the CP Notes are secured in part by the Commercial Paper Borrowing; and

WHEREAS, the repayment of the Commercial Paper Borrowing shall be secured, in part, by a first lien on Port Revenues, after all obligations senior thereto and evidenced under Resolution No. PA-93-17, as amended and supplemented (the "Prior Bond Resolution") have been satisfied (herein, "Excess Port Revenues"); and

WHEREAS, in order to accomplish the Commercial Paper Borrowing, it is deemed necessary that the County covenant to budget and appropriate from its Non-Ad Valorem Revenues (as herein defined) for deposit to the trustee (the "Trustee") or, if the Bank has made payments to the Trustee and has not been reimbursed by the Authority, then for deposit with the Bank, as the case may be, for the purpose of paying all or a portion of scheduled principal and interest on the Port Obligations securing such Notes; and

WHEREAS, pursuant to the terms and conditions of this Agreement, the County is willing to covenant with the Authority and the Bank, who is declared to be a third party beneficiary to this Agreement, to budget and appropriate Non-Ad Valorem Revenues to cure a Debt Service Deficiency relating to Port Obligations described below as the Commercial Paper Borrowing; and

WHEREAS, if not directly deposited with the Trustee or the Bank (under the circumstances described above), as the case may be, the Authority hereby agrees to immediately deposit with the Trustee or pay to the Bank, as the case may be, with respect to the Commercial Paper Borrowing and pledge for the payment of the Port Obligations, the Non-Ad Valorem Revenues it receives from the County pursuant to the terms and provisions of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained and other good and valuable consideration hereby acknowledged to be received by each party hereto, and intending to be legally bound hereby, the Authority and the County agree as follows:

SECTION 1: RECITALS. The recitals set forth above are adopted by the parties to this Agreement as being true and correct and forming the basis for entering into this Agreement.

SECTION 2: DEFINITIONS. In addition to the terms heretofore defined, the following terms shall have the following meanings unless the text otherwise expressly requires:

"ANNUAL DEBT SERVICE REQUIREMENT" shall mean, at any time, the amount required to be deposited with the Trustee or the Bank, if the Bank has paid the Trustee and has not been reimbursed by the Authority, as applicable, to pay debt service on the Note in the then current fiscal year of the Authority (herein, "Fiscal Year") with respect to the Commercial Paper Borrowing.

"COMMERCIAL PAPER BORROWING" shall mean the borrowing by the Authority from the Pooled Commercial Paper Loan Program of the Florida Local Government Finance Commission, in an amount not exceeding \$16,025,000 outstanding and unpaid at any time. For the purposes of this definition, such borrowing has been authorized by Resolution No. PA-11-__

of the Authority, adopted on _____, 2011 and does not include any refinancing of such borrowing.

"EXCESS PORT REVENUES" shall mean the Port Revenues remaining after deduction of Operating Expenses and satisfaction of all other senior obligations evidenced under the Prior Bond Resolution.

"NON-AD VALOREM REVENUES" shall mean all revenues of the County derived from any source whatsoever, other than ad valorem taxation on real and personal property, which are legally available for payment of County obligations.

"OPERATING EXPENSES" shall mean the current expenses, paid or accrued, of operation, maintenance and ordinary repairs of Port Manatee and the Port Facilities and shall include, without limiting the generality of the foregoing, insurance premiums, if any, administrative expenses of the Authority relating solely to Port Manatee and the Port Facilities, engineering expenses, legal and financial advisory expenses, required payments to pension, retirement, health and hospitalization funds, taxes, payments in lieu of taxes or franchise fees, and such other reasonable current expenses as shall be in accordance with generally accepted accounting principles. "Operating Expenses" shall not include any allowance for depreciation or renewals or replacements or obsolescence of capital assets of Port Manatee, or any extraordinary items arising from the early extinguishment of debt.

"PLEGGED MONEYS" shall mean with respect to the Commercial Paper Borrowing, the Excess Port Revenues.

"PORT OBLIGATIONS" shall mean only the Commercial Paper Borrowing unless, in the sole discretion of the County, such other debt borrowing of the Authority is approved by amendment to this Agreement.

"PORT REVENUES" shall mean all rates, fees, charges, or other income, received by the Authority or accrued to the Authority, or any agency thereof in control of the management and operation of Port Manatee and the Port Facilities, and all parts thereof, from the operation thereof, and shall also include the earnings and investment income derived from the investment of moneys on deposit in the various funds and accounts created and established under the Prior Bond Resolution, which by the terms and provisions of the Prior Bond Resolution are required to be deposited in the Revenue Fund and the Interest Account; provided, however, that Port Revenues shall not include (1) Sales Tax Funds, (2) Non-Ad Valorem Revenues, (3) grants or donations unless there are no restrictions with respect to the use thereof, (4) revenues received from or in connection with Special Purpose Facilities (as such term is defined in the Prior Bond Resolution) financed with Special Purpose Bonds (as such term is defined in the Prior Bond Resolution) other than ground lease rentals in connection therewith, and (5) capital contributions.

"PRIOR BOND RESOLUTION" shall mean Resolution No. PA-93-17 adopted by the Authority on November 30, 1993, as amended and supplemented.

"SALES TAX FUNDS" shall mean the sales tax revenues made available to counties in the State of Florida, including the County, pursuant to Section 212.20(6)(d)7.a., Florida Statutes.

SECTION 3: NON-AD VALOREM REVENUES.

(a) If the Authority, the Trustee or the Bank determines that a Debt Service Deficiency shall or may exist in connection with a payment date (herein, a "payment date") for any Port Obligations, the Authority, the Trustee or the Bank shall provide written notice to the Clerk of the Board of such possibility of a Debt Service Deficiency not later than forty-five (45) days prior to the related payment date. Subject to the terms and provisions of Section 4 hereof, within ten (10) Business Days prior to each payment date for the applicable Port Obligations, if there exists a Debt Service Deficiency for such Port Obligations, the Authority, the Trustee or the Bank will immediately provide written notice to the Clerk of the Board specifying the amount of such Debt Service Deficiency. Upon receipt of such notice, the County will, as soon as practicable but in no event later than the close of business on the third (3rd) Business Day prior to the payment date for such Port Obligations, transfer Non-Ad Valorem Revenues to the Authority in the amount of such Debt Service Deficiency. The Clerk shall have the right to request written documentation from the party delivering such notice confirming the Debt Service Deficiency and the amount. The County shall never be required to appropriate Non-Ad Valorem Revenues to cure a Debt Service Deficiency in any one County Fiscal Year (as defined below) in an amount greater than the Annual Debt Service Requirement of the Port Obligations for that County Fiscal Year.

The Authority covenants that, to the extent all requirements under the resolutions and instruments relating to the Port Obligations have been satisfied, it will repay to the County from its Excess Port Revenues all Non-Ad Valorem Revenues received from the County. The aforementioned covenant of the Authority shall survive the payment in full of the applicable Port Obligations.

(b) The County hereby covenants to appropriate in its annual budget, by amendment if necessary, in each fiscal year of the County (herein, "County Fiscal Year"), Non-Ad Valorem Revenues sufficient to pay any Debt Service Deficiency. Notwithstanding the foregoing covenant, the County does not covenant to maintain any services or programs, now provided or maintained by the County, which generate Non-Ad Valorem Revenues. The County covenants to amend its budget whenever necessary to satisfy its obligations under this Section 3.

SECTION 4: DURATION OF COVENANT TO BUDGET AND APPROPRIATE NON-AD VALOREM REVENUES. The County's obligations set forth in Section 3 to provide Non-Ad Valorem Revenues in the event of a Debt Service Deficiency, shall terminate and be satisfied on the date of payment in full of all Port Obligations that are backed by the County in the manner described in such section. It is further acknowledged by the Authority that prior to the County becoming obligated pursuant to Section 3 above with respect to any Port Obligations other than the Port Obligations incurred in connection with the Commercial Paper Borrowing defined herein, the Board must first adopt a resolution authorizing such obligations. The County acknowledges that with respect to the Commercial Paper Borrowing, no subsequent action of the Board shall be required other than the execution of this Agreement after the adoption of Resolution No. R-11-_____.

SECTION 5: DILUTION TEST. The County hereby covenants that in each County Fiscal Year it will not issue non-self-supporting revenue debt of the County payable from its Non-Ad Valorem Revenues unless: (1) the total outstanding maximum annual non-self-supporting revenue debt service, including the non-self supporting revenue debt service on the debt proposed to be issued, does not exceed 50% of the gross Non-Ad Valorem Revenues (all

legally available Non-Ad Valorem Revenues of the County from whatever source including investment income) of the County for the preceding County Fiscal Year, (2) the gross Non-Ad Valorem Revenues for the preceding Fiscal Year were at least 4.00 times average annual debt service of all indebtedness of the County payable from its Non-Ad Valorem Revenues, including the debt proposed to be issued, and (iii) the net available Non-Ad Valorem Revenues of the County for the preceding County Fiscal Year were at least 1.10 times average annual debt service of all indebtedness of the County payable from its Non-Ad Valorem Revenues including the debt proposed to be issued (herein, collectively, called the "Dilution Test").

As used above, the term "non-self-supporting revenue debt" shall mean all revenue debt obligations in whatever form, except such revenue debt obligations, which are payable from a specific enterprise fund or are otherwise self-liquidating, and the term "net available Non-Ad Valorem Revenues" shall mean "gross Non-Ad Valorem Revenues," as defined above, minus costs of operation and maintenance of the County (except any such costs paid from ad valorem taxes), plus legally available unencumbered cash balances on hand at the end of the most recent County Fiscal Year.

Except as provided below, for the purpose of calculating average annual debt service on any indebtedness which bears interest at a variable rate, such indebtedness shall be deemed to bear interest at the greater of (i) 1.25 times the most recently published Bond Buyer Revenue Bond 30-Year Index, or (ii) 1.25 times actual average interest rate during the prior County Fiscal Year of the County. If such variable rate indebtedness is to be secured by the County's covenant to budget and appropriate Non-Ad Valorem Revenues and, in lieu of cash, the debt service reserve fund for such indebtedness is funded with a reserve account surety bond, such indebtedness shall be deemed to bear interest at the maximum rate.

As used above, the term "maximum rate" means the maximum rate of interest such variable rate debt may bear at any particular time, which rate shall not exceed the rate of interest allowed under Florida law and will be determined by the County at the time such variable rate debt is used.

During such time as any amount owed by the Authority is outstanding with respect to the Commercial Paper Borrowing, the County agrees and covenants that: (i) Non-Ad Valorem Revenues plus Excess Port Revenues (average of the prior two years) must cover projected maximum annual debt service on; (A) County obligations secured by and/or payable from such Non-Ad Valorem Revenues and (B) all Port Obligations and any other debt for which the County is obligated to make payments from Non-Ad Valorem Revenues (collectively, "Debt"), by at least 1.5x; and (ii) projected maximum annual debt service requirements for all Debt will not exceed 20% of (A) Governmental Fund Revenues of the County (defined as general fund, special fund, debt service fund and capital projects funds, exclusive of (1) ad valorem revenues restricted to payment of debt service on any Debt and (2) any Debt proceeds), plus (B) Excess Port Revenues, in each case based on the applicable audited financial statements of the County or the Authority (average of the prior two years). For the purposes of these covenants, maximum annual debt service means the lesser of the actual maximum annual debt service on all Debt or 15% of the original par amount of the Debt. The County agrees that, as soon as practicable after the end of each Fiscal Year, it shall deliver to the Bank a certificate setting forth the calculations of the financial ratios provided in this Section 5 and certifying that it is in compliance with the provisions of this Section 5.

SECTION 6: OBLIGATIONS OF COUNTY NOT A PLEDGE OF ITS FULL FAITH AND CREDIT. The obligations of the County under this Agreement shall not be or constitute an

indebtedness of the County within the meaning of any Constitutional, statutory or other limitation of indebtedness, but shall be payable solely from the sources described herein. No creditor of any Port Obligation shall ever have the right to compel the exercise of the ad valorem taxing power of the County, or taxation in any form on any real property therein, to pay any Port Obligation or the interest thereon.

It is further agreed between the County and the creditors of any Port Obligation that the obligations of the County evidenced hereby shall not constitute a lien upon any property of or in the County, but shall constitute a lien only on the Non-Ad Valorem Revenues that have been deposited in the appropriate debt service accounts created and established under the applicable resolutions of the Authority.

SECTION 7: AMENDMENTS. For as long as the Bank is obligated to credit enhance the CP Notes secured in part by the Commercial Paper Borrowing and the Bank is not in default under its credit enhancer facility, this Agreement may not be amended without the prior written consent of the Bank, which consent shall not be unreasonably delayed or withheld.

SECTION 8: AGREEMENT CONSTITUTES CONTRACT WITH CREDITORS OF PORT OBLIGATIONS; THIRD PARTY BENEFICIARY. In the manner provided herein, this Agreement shall constitute a contract between the parties hereto and the creditors of Port Obligations incurred from time to time by Authority. The Bank and the Trustee are third party beneficiaries under this Agreement.

SECTION 9: FILING OF AGREEMENT; EFFECTIVE DATE. This Agreement shall be filed by the County with the Clerk of the Circuit Court of Manatee County, Florida, and shall not become effective until the date the County has so filed this Agreement with the Clerk of the Circuit Court of Manatee County, Florida. Upon the execution of this Agreement by the Authority and County, the County covenants to file this Agreement as aforesaid.

SECTION 10: SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreement, or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed severable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof.

SECTION 11: RULE 15C2-12 UNDERTAKING. To the extent applicable, the County covenants with the Port Authority, the registered owners and beneficial owners of any Port Obligations that, as long as the County is obligated under this Agreement, it will also comply, to the extent required by Rule 15c2-12 of the Securities and Exchange Commission, with secondary market disclosure requirements.

SECTION 12: EXECUTION IN COUNTERPARTS. This Agreement shall be executed in several counterparts, each of which shall be an original and each of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties to this Agreement have caused this Agreement to be executed by the proper officers thereof and have caused their seals to be affixed hereto and attested by the proper officers thereof, all as of the date set forth below.

(SEAL)

MANATEE COUNTY, FLORIDA

Attest

By: _____
Title: Chairman
Date of Execution: _____, 2011

Title: Clerk

(SEAL)

**MANATEE COUNTY PORT
AUTHORITY**

Attest

By: _____
Title: Chairman
Date of Execution: _____, 2011

Title: Clerk

382,498,146v5/WPB/016705.013600

INTERLOCAL AGREEMENT

between

MANATEE COUNTY, FLORIDA

and

MANATEE COUNTY PORT AUTHORITY

Dated June 6, 2011

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT (the "Agreement") is dated June 6, 2011, and is entered into by and between Manatee County, Florida, a political subdivision of the State of Florida (herein, the "County"), whose principal place of business is located at the Manatee County Administrative Center, 1112 Manatee Avenue West, Bradenton, Florida 34205, and the Manatee County Port Authority, a political entity of the State of Florida (herein, the "Authority"), whose principal place of business is located at Port Manatee, 300 Regal Cruise Way, Suite 1, Palmetto, Florida 34221.

W I T N E S S E T H:

WHEREAS, the County enters into this Agreement pursuant to the provisions of Chapter 125, Florida Statutes, as amended and supplemented, Chapter 163.01, Florida Statutes, as amended and supplemented, Chapter 315, Florida Statutes, as amended and supplemented, Chapter 67-1681, Laws of Florida, as amended and supplemented, Resolution No. 11-129, Ordinance No. 98-25, and other applicable provisions of law; and

WHEREAS, the Authority enters into this Agreement pursuant to the provisions of Chapter 163.01, Florida Statutes, as amended and supplemented, Chapter 315, Florida Statutes, as amended and supplemented, Chapter 67-1681, Laws of Florida, as amended and supplemented, and other applicable provisions of law; and

WHEREAS, the Authority owns and operates public seaport facilities (herein, "Port Facilities") in the northwestern portion of the County known as "Port Manatee" and is seeking to encourage, develop and stimulate the flow of waterborne commerce through Port Manatee; and

WHEREAS, the Board of County Commissioners of Manatee County, Florida, (the "Board") hereby determines that an increase in waterborne commerce at Port Manatee is in the best economic interest of the County and the citizens thereof, and in connection therewith desires to assist the Authority in the manner provided in this Agreement; and

WHEREAS, the economic viability of Port Manatee is deemed to be in the best interest of the County and the Authority, and it is recognized by both parties hereto that the cost of financing and refinancing Port Facilities must be at the lowest interest rate cost possible; and

WHEREAS, the Authority proposes to incur Port Obligations, as herein defined, from time to time, to finance and refinance certain additions, extensions and improvements to Port Manatee and the Port Facilities (herein, "Port Projects"); and

WHEREAS, the Authority has determined that it is in the best economic interest of the Authority to initially incur Port Obligations to refinance certain Port Projects, by borrowing, from time to time, proceeds from the Pooled Commercial Paper Loan Program of the Florida Local Government Finance Commission (the "Commission"), pursuant to the terms and provisions of Resolution No. PA-11-17 (the "2011 Authority Resolution") in an amount not exceeding \$16,025,000 in principal amount outstanding at any one time and to evidence such borrowings by a note of the Authority (herein, the "Note"); and

WHEREAS, the aforementioned borrowing under the Program will be referred to as the "Commercial Paper Borrowing" and shall constitute Port Obligations; and

WHEREAS, the commercial paper notes issued by the Commission (the "CP Notes") shall initially be credit-enhanced by JP Morgan Chase Bank, N.A. (together with its successors and assigns, the "Bank"); and

WHEREAS, the CP Notes are secured in part by the Commercial Paper Borrowing; and

WHEREAS, the repayment of the Commercial Paper Borrowing shall be secured, in part, by a first lien on Port Revenues, after all obligations senior thereto and evidenced under Resolution No. PA-93-17, as amended and supplemented (the "Prior Bond Resolution") have been satisfied (herein, "Excess Port Revenues"); and

WHEREAS, in order to accomplish the Commercial Paper Borrowing, it is deemed necessary that the County covenant to budget and appropriate from its Non-Ad Valorem Revenues (as herein defined) for deposit to the trustee (the "Trustee") or, if the Bank has made payments to the Trustee and has not been reimbursed by the Authority, then for deposit with the Bank, as the case may be, for the purpose of paying all or a portion of scheduled principal and interest on the Port Obligations securing such Notes; and

WHEREAS, pursuant to the terms and conditions of this Agreement, the County is willing to covenant with the Authority and the Bank, who is declared to be a third party beneficiary to this Agreement, to budget and appropriate Non-Ad Valorem Revenues to cure a Debt Service Deficiency relating to Port Obligations described below as the Commercial Paper Borrowing; and

WHEREAS, if not directly deposited with the Trustee or the Bank (under the circumstances described above), as the case may be, the Authority hereby agrees to immediately deposit with the Trustee or pay to the Bank, as the case may be, with respect to the Commercial Paper Borrowing and pledge for the payment of the Port Obligations, the Non-Ad Valorem Revenues it receives from the County pursuant to the terms and provisions of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained and other good and valuable consideration hereby acknowledged to be received by each party hereto, and intending to be legally bound hereby, the Authority and the County agree as follows:

SECTION 1: RECITALS. The recitals set forth above are adopted by the parties to this Agreement as being true and correct and forming the basis for entering into this Agreement.

SECTION 2: DEFINITIONS. In addition to the terms heretofore defined, the following terms shall have the following meanings unless the text otherwise expressly requires:

"ANNUAL DEBT SERVICE REQUIREMENT" shall mean, at any time, the amount required to be deposited with the Trustee or the Bank, if the Bank has paid the Trustee and has not been reimbursed by the Authority, as applicable, to pay debt service on the Note in the then current fiscal year of the Authority (herein, "Fiscal Year") with respect to the Commercial Paper Borrowing.

"COMMERCIAL PAPER BORROWING" shall mean the borrowing by the Authority from the Pooled Commercial Paper Loan Program of the Florida Local Government Finance Commission, in an amount not exceeding \$16,025,000 outstanding and unpaid at any time. For the purposes of this definition, such borrowing has been authorized by Resolution No. PA-11-17

of the Authority, adopted on May 24, 2011 and does not include any refinancing of such borrowing.

"EXCESS PORT REVENUES" shall mean the Port Revenues remaining after deduction of Operating Expenses and satisfaction of all other senior obligations evidenced under the Prior Bond Resolution.

"NON-AD VALOREM REVENUES" shall mean all revenues of the County derived from any source whatsoever, other than ad valorem taxation on real and personal property, which are legally available for payment of County obligations.

"OPERATING EXPENSES" shall mean the current expenses, paid or accrued, of operation, maintenance and ordinary repairs of Port Manatee and the Port Facilities and shall include, without limiting the generality of the foregoing, insurance premiums, if any, administrative expenses of the Authority relating solely to Port Manatee and the Port Facilities, engineering expenses, legal and financial advisory expenses, required payments to pension, retirement, health and hospitalization funds, taxes, payments in lieu of taxes or franchise fees, and such other reasonable current expenses as shall be in accordance with generally accepted accounting principles. "Operating Expenses" shall not include any allowance for depreciation or renewals or replacements or obsolescence of capital assets of Port Manatee, or any extraordinary items arising from the early extinguishment of debt.

"PLEGGED MONEYS" shall mean with respect to the Commercial Paper Borrowing, the Excess Port Revenues.

"PORT OBLIGATIONS" shall mean only the Commercial Paper Borrowing unless, in the sole discretion of the County, such other debt borrowing of the Authority is approved by amendment to this Agreement.

"PORT REVENUES" shall mean all rates, fees, charges, or other income, received by the Authority or accrued to the Authority, or any agency thereof in control of the management and operation of Port Manatee and the Port Facilities, and all parts thereof, from the operation thereof, and shall also include the earnings and investment income derived from the investment of moneys on deposit in the various funds and accounts created and established under the Prior Bond Resolution, which by the terms and provisions of the Prior Bond Resolution are required to be deposited in the Revenue Fund and the Interest Account; provided, however, that Port Revenues shall not include (1) Sales Tax Funds, (2) Non-Ad Valorem Revenues, (3) grants or donations unless there are no restrictions with respect to the use thereof, (4) revenues received from or in connection with Special Purpose Facilities (as such term is defined in the Prior Bond Resolution) financed with Special Purpose Bonds (as such term is defined in the Prior Bond Resolution) other than ground lease rentals in connection therewith, and (5) capital contributions.

"PRIOR BOND RESOLUTION" shall mean Resolution No. PA-93-17 adopted by the Authority on November 30, 1993, as amended and supplemented.

"SALES TAX FUNDS" shall mean the sales tax revenues made available to counties in the State of Florida, including the County, pursuant to Section 212.20(6)(d)7.a., Florida Statutes.

SECTION 3: NON-AD VALOREM REVENUES.

(a) If the Authority, the Trustee or the Bank determines that a Debt Service Deficiency shall or may exist in connection with a payment date (herein, a "payment date") for any Port Obligations, the Authority, the Trustee or the Bank shall provide written notice to the Clerk of the Board of such possibility of a Debt Service Deficiency not later than forty-five (45) days prior to the related payment date. Subject to the terms and provisions of Section 4 hereof, within ten (10) Business Days prior to each payment date for the applicable Port Obligations, if there exists a Debt Service Deficiency for such Port Obligations, the Authority, the Trustee or the Bank will immediately provide written notice to the Clerk of the Board specifying the amount of such Debt Service Deficiency. Upon receipt of such notice, the County will, as soon as practicable but in no event later than the close of business on the third (3rd) Business Day prior to the payment date for such Port Obligations, transfer Non-Ad Valorem Revenues to the Authority in the amount of such Debt Service Deficiency. The Clerk shall have the right to request written documentation from the party delivering such notice confirming the Debt Service Deficiency and the amount. The County shall never be required to appropriate Non-Ad Valorem Revenues to cure a Debt Service Deficiency in any one County Fiscal Year (as defined below) in an amount greater than the Annual Debt Service Requirement of the Port Obligations for that County Fiscal Year.

The Authority covenants that, to the extent all requirements under the resolutions and instruments relating to the Port Obligations have been satisfied, it will repay to the County from its Excess Port Revenues all Non-Ad Valorem Revenues received from the County. The aforementioned covenant of the Authority shall survive the payment in full of the applicable Port Obligations.

(b) The County hereby covenants to appropriate in its annual budget, by amendment if necessary, in each fiscal year of the County (herein, "County Fiscal Year"), Non-Ad Valorem Revenues sufficient to pay any Debt Service Deficiency. Notwithstanding the foregoing covenant, the County does not covenant to maintain any services or programs, now provided or maintained by the County, which generate Non-Ad Valorem Revenues. The County covenants to amend its budget whenever necessary to satisfy its obligations under this Section 3.

SECTION 4: DURATION OF COVENANT TO BUDGET AND APPROPRIATE NON-AD VALOREM REVENUES. The County's obligations set forth in Section 3 to provide Non-Ad Valorem Revenues in the event of a Debt Service Deficiency, shall terminate and be satisfied on the date of payment in full of all Port Obligations that are backed by the County in the manner described in such section. It is further acknowledged by the Authority that prior to the County becoming obligated pursuant to Section 3 above with respect to any Port Obligations other than the Port Obligations incurred in connection with the Commercial Paper Borrowing defined herein, the Board must first adopt a resolution authorizing such obligations. The County acknowledges that with respect to the Commercial Paper Borrowing, no subsequent action of the Board shall be required other than the execution of this Agreement after the adoption of Resolution No. R-11-17.

SECTION 5: DILUTION TEST. The County hereby covenants that in each County Fiscal Year it will not issue non-self-supporting revenue debt of the County payable from its Non-Ad Valorem Revenues unless: (1) the total outstanding maximum annual non-self-supporting revenue debt service, including the non-self supporting revenue debt service on the debt proposed to be issued, does not exceed 50% of the gross Non-Ad Valorem Revenues (all

legally available Non-Ad Valorem Revenues of the County from whatever source including investment income) of the County for the preceding County Fiscal Year, (2) the gross Non-Ad Valorem Revenues for the preceding Fiscal Year were at least 4.00 times average annual debt service of all indebtedness of the County payable from its Non-Ad Valorem Revenues, including the debt proposed to be issued, and (iii) the net available Non-Ad Valorem Revenues of the County for the preceding County Fiscal Year were at least 1.10 times average annual debt service of all indebtedness of the County payable from its Non-Ad Valorem Revenues including the debt proposed to be issued (herein, collectively, called the "Dilution Test").

As used above, the term "non-self-supporting revenue debt" shall mean all revenue debt obligations in whatever form, except such revenue debt obligations, which are payable from a specific enterprise fund or are otherwise self-liquidating, and the term "net available Non-Ad Valorem Revenues" shall mean "gross Non-Ad Valorem Revenues," as defined above, minus costs of operation and maintenance of the County (except any such costs paid from ad valorem taxes), plus legally available unencumbered cash balances on hand at the end of the most recent County Fiscal Year.

Except as provided below, for the purpose of calculating average annual debt service on any indebtedness which bears interest at a variable rate, such indebtedness shall be deemed to bear interest at the greater of (i) 1.25 times the most recently published Bond Buyer Revenue Bond 30-Year Index, or (ii) 1.25 times actual average interest rate during the prior County Fiscal Year of the County. If such variable rate indebtedness is to be secured by the County's covenant to budget and appropriate Non-Ad Valorem Revenues and, in lieu of cash, the debt service reserve fund for such indebtedness is funded with a reserve account surety bond, such indebtedness shall be deemed to bear interest at the maximum rate.

As used above, the term "maximum rate" means the maximum rate of interest such variable rate debt may bear at any particular time, which rate shall not exceed the rate of interest allowed under Florida law and will be determined by the County at the time such variable rate debt is used.

During such time as any amount owed by the Authority is outstanding with respect to the Commercial Paper Borrowing, the County agrees and covenants that: (i) Non-Ad Valorem Revenues plus Excess Port Revenues (average of the prior two years) must cover projected maximum annual debt service on; (A) County obligations secured by and/or payable from such Non-Ad Valorem Revenues and (B) all Port Obligations and any other debt for which the County is obligated to make payments from Non-Ad Valorem Revenues (collectively, "Debt"), by at least 1.5x; and (ii) projected maximum annual debt service requirements for all Debt will not exceed 20% of (A) Governmental Fund Revenues of the County (defined as general fund, special fund, debt service fund and capital projects funds, exclusive of (1) ad valorem revenues restricted to payment of debt service on any Debt and (2) any Debt proceeds), plus (B) Excess Port Revenues, in each case based on the applicable audited financial statements of the County or the Authority (average of the prior two years). For the purposes of these covenants, maximum annual debt service means the lesser of the actual maximum annual debt service on all Debt or 15% of the original par amount of the Debt. The County agrees that, as soon as practicable after the end of each Fiscal Year, it shall deliver to the Bank a certificate setting forth the calculations of the financial ratios provided in this Section 5 and certifying that it is in compliance with the provisions of this Section 5.

SECTION 6: OBLIGATIONS OF COUNTY NOT A PLEDGE OF ITS FULL FAITH AND CREDIT. The obligations of the County under this Agreement shall not be or constitute an

indebtedness of the County within the meaning of any Constitutional, statutory or other limitation of indebtedness, but shall be payable solely from the sources described herein. No creditor of any Port Obligation shall ever have the right to compel the exercise of the ad valorem taxing power of the County, or taxation in any form on any real property therein, to pay any Port Obligation or the interest thereon.

It is further agreed between the County and the creditors of any Port Obligation that the obligations of the County evidenced hereby shall not constitute a lien upon any property of or in the County, but shall constitute a lien only on the Non-Ad Valorem Revenues that have been deposited in the appropriate debt service accounts created and established under the applicable resolutions of the Authority.

SECTION 7: AMENDMENTS. For as long as the Bank is obligated to credit enhance the CP Notes secured in part by the Commercial Paper Borrowing and the Bank is not in default under its credit enhancer facility, this Agreement may not be amended without the prior written consent of the Bank, which consent shall not be unreasonably delayed or withheld.

SECTION 8: AGREEMENT CONSTITUTES CONTRACT WITH CREDITORS OF PORT OBLIGATIONS; THIRD PARTY BENEFICIARY. In the manner provided herein, this Agreement shall constitute a contract between the parties hereto and the creditors of Port Obligations incurred from time to time by Authority. The Bank and the Trustee are third party beneficiaries under this Agreement.

SECTION 9: FILING OF AGREEMENT; EFFECTIVE DATE. This Agreement shall be filed by the County with the Clerk of the Circuit Court of Manatee County, Florida, and shall not become effective until the date the County has so filed this Agreement with the Clerk of the Circuit Court of Manatee County, Florida. Upon the execution of this Agreement by the Authority and County, the County covenants to file this Agreement as aforesaid.

SECTION 10: SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreement, or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed severable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof.

SECTION 11: RULE 15C2-12 UNDERTAKING. To the extent applicable, the County covenants with the Port Authority, the registered owners and beneficial owners of any Port Obligations that, as long as the County is obligated under this Agreement, it will also comply, to the extent required by Rule 15c2-12 of the Securities and Exchange Commission, with secondary market disclosure requirements.

SECTION 12: EXECUTION IN COUNTERPARTS. This Agreement shall be executed in several counterparts, each of which shall be an original and each of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties to this Agreement have caused this Agreement to be executed by the proper officers thereof and have caused their seals to be affixed hereto and attested by the proper officers thereof, all as of the date set forth below.

(SEAL)



MANATEE COUNTY, FLORIDA

Attest

By: [Signature]
Title: Clerk
[Signature]
Deputy

By: [Signature]
Title: Chairman
Date of Execution: 5/24/11, 2011

(SEAL)



MANATEE COUNTY PORT AUTHORITY

Attest

By: [Signature]
Title: Clerk
[Signature]
Deputy

By: [Signature]
Title: Chairman
Date of Execution: 5/24/11, 2011